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HOUSE BILL 127

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Joni Marie Gutierrez

AN ACT

RELATING TO TRADE PRACTICES; REGULATING THE SALE AND REDEMPTION  
OF GIFT CERTIFICATES; ESTABLISHING PENALTIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. GIFT CERTIFICATES--EXPIRATION--FEES--  
PENALTIES.--

A. As used in this section, "gift certificate"  
means a writing identified as a gift certificate that is not  
redeemable in cash and is usable in its face amount in lieu of  
cash in exchange for goods or services supplied by a seller.  
"Gift certificate" includes an electronic card with a banked  
dollar value, a merchandise credit, a certificate where the  
issuer has received payment for the full face value for the  
future purchase or delivery of goods or services and any other  
medium that evidences the giving of consideration in exchange

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1 for the right to redeem the certificate, electronic card or  
2 other medium for goods or services of at least an equal value.

3 B. A gift certificate shall not have an expiration  
4 date less than sixty months after the date upon which the gift  
5 certificate was issued. If an expiration date is not  
6 conspicuously stated on a gift certificate, that gift  
7 certificate shall be presumed to have no expiration date and  
8 shall be valid until redeemed or replaced.

9 C. An issuer of a gift certificate shall not charge  
10 a fee of any kind in relation to the sale, redemption or  
11 replacement of a gift certificate other than an initial charge  
12 not exceeding the face value of the gift certificate, nor may a  
13 gift certificate be reduced in value by any fee, including a  
14 service or dormancy fee.

15 D. A violation of this section shall constitute an  
16 unfair or deceptive trade practice and shall be subject to the  
17 penalties set forth in the Unfair Practices Act.

18 Section 2. SEVERABILITY.--If any part or application of  
19 this act is held invalid, the remainder or its application to  
20 other situations or persons shall not be affected.

21 Section 3. APPLICABILITY.--The provisions of this act  
22 apply to gift certificates sold or offered for sale on or after  
23 July 1, 2007.

24 Section 4. EFFECTIVE DATE.--The effective date of the  
25 provisions of this act is July 1, 2007.

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